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deliver®
a magazine for marketers

VOLUME 5 / ISSUE 4 / SEPTEMBER 2009

going green:

MARKETERS
DISCOVER NEW
ENVIRONMENTAL
TERRITORY

Green Beats Recession Blues

Being green has gone mainstream — and it managed to survive the recession. (Insert applause here.)

Although past economic downturns have stalled the momentum of previous eco-conscious movements, it seems something's different this time. Maybe highly publicized examples of corporate greed are motivating buyers to support companies committed to doing the right thing rather than helping their own bottom line. Or maybe people are finally getting smart about doing what's right for the planet.

Regardless, today's green mindset is much more solidified. It's no longer just "tree huggers" who want green products. It's everyday Americans — and they're more demanding and informed than ever. So we've devoted this issue to helping enlighten and inform, offering a gamut of articles about how environmental concerns are altering direct marketing.

We look at companies like Green Mountain Coffee Roasters, which has maintained double-digit revenue growth while using eco-friendly direct mail to build its business (page 26). We talk with Aveda about how the company is better targeting customers — and using 100-percent recycled paper to do it (page 30). The auto companies are getting involved, too. Toyota dealers around the country have integrated environmentally responsible practices into their mailing programs, with great results (page 14).

It's a new age of corporate responsibility — and one that has its rewards, because being eco-conscious isn't only proving good for the environment; it's smart for business, too.



Cat Moriarty, Editor

Environmental savings generated for this issue of *Deliver*®

91,000 pounds of paper used	100 percent postconsumer recycled content	874 trees preserved	371,098 gallons of wastewater flow saved	2,523 pounds of waterborne waste avoided
41,059 pounds of solid waste prevented	80,844 pounds net greenhouse gases prevented	618,800,000 BTUs of energy saved	41,041 pounds of ghg emissions not generated	44 barrels of fuel oil saved

Source: Mohawk Fine Papers Inc.

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Deliver® is published six times yearly by Campbell-Ewald Publishing, a division of Campbell-Ewald, 30400 Van Dyke, Warren, MI 48093-2316. Tel: 586.558.5249. Visit *Deliver* at delivermagazine.com, or send us an e-mail at delivermag@usps.com.

Subscription rates for the U.S.A.: \$3.95 per issue. Subscription requests should be sent to: *Deliver*, Subscription Center, 30400 Van Dyke, Warren, MI 48093-2316. If you prefer not to receive *Deliver*, please visit delivermagazine.com, select My Account and Unsubscribe.

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FEATURES

- 14 Running on Green**
Despite a down economy, auto dealers remain true to environmental ideals.
- 16 Restoring the Natural Habitat**
The National Geographic Society looked at its environmental practices — and found a few surprises.
- 22 Planet Protectors**
Tough times are no reason for you to scale back on green marketing.
- 26 Wise Guys**
Three green business thought leaders on where the eco-movement is going.

DELIVERABLES

- 4 Postings**
Lobby program offers a new way to recycle mail, plus more.
- 6 Leader Column**
Marketers have embraced the green idea — but there's still more to be done.
- 7 See Here**
The truth about direct mail and municipal waste.
- 8 Demo Graphics**
Consumers stick with green products despite today's economic pinch.
- 9 Outside the Box**
Mail recycling is up, but marketers must continue to push for more awareness.
- 10 P.O.V.**
How new presidential mandates are changing the way we market.
- 12 Pushing the Envelope**
Glatfelter wanted its green message heard. A series of mailers helped them do it.

LAST WORD

- 30 More than Looks**
Aveda's products (and marketing efforts) are keeping the planet beautiful.



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ON THE COVER: ILLUSTRATION BY JOSH COCHRAN



“

Measure your efforts like never before, especially levers of profitability. Accountability favors direct marketing.”

— Sid Liebenson, executive vice president and director of marketing, Draftfcb

deliverables

A BRIEF LOOK AT SOME BIG ISSUES IN DIRECT MAIL



Read



Respond



Recycle

Lobby program offers a new way to recycle mail

Environment

Recycling bins have replaced the circular file in nearly 6,000 Post Office™ lobbies nationwide as part of an initiative that encourages people to read, respond and recycle their mail.

The Post Office Box Lobby Recycling Program — launched nationally last fall — helps divert paper waste from landfills, reducing the amount of virgin fiber from trees needed to produce more paper and eliminating greenhouse gas emissions from solid waste disposal.

Customers are encouraged to remove mail from their P.O. box, open it, take the necessary action and place the rest into the bin. And

it's working: About 77 percent of participating lobbies that measured trash amounts before the program have seen the amount of solid waste decline since its launch.

You can support the effort with a line on your mailing that directs recipients to Earth911.com for a list of participating Post Offices where they can recycle the piece. While your customers will ultimately make their own decisions about when and how to dispose of their mail, informing them of recycling options can help make that choice a little easier — and environmentally preferable. — Paula Andruss

POURTRAIT BY GLENN; ILLUSTRATIONS BY KYLE RAEITZ

going
GREEN
POSTINGS



SAVE CASH BY CLEANING YOUR LISTS

List Hygiene

More than 40 million Americans change their address annually. “In a turbulent economy where more consumers are relocating due to mortgage defaults, foreclosures and layoffs, keeping your marketing mailing lists updated and accurate is tougher — and more crucial — than ever,” says Renee VanDerburgh, marketing and IT specialist at Atlanta-based Caldwell List Company.

To ensure list accuracy — and avoid mailing to your customers' old addresses — VanDerburgh advises processing your lists through the United States Postal Service® National Change Of Address (NCOA^{Link}) data prior to your mailing to stay connected with your customers. NCOA^{Link} data is updated weekly.

To that end, you can recruit a list specialist such as Caldwell List Company, or find out more about the NCOA^{Link} service by visiting the link below. — Bruce Britt

▶ Visit ribbs.usps.gov/index.cfm?page=ncoalink for more on NCOA^{Link}

Film Star

New earth-friendly polywrap gives marketers more green options

Eco Friendly

There's now a greener way to polybag your mailers, thanks to the launch of Earth Flex™ Poly, a 100-percent biodegradable and compostable poly film.

Unlike pure petroleum-based polywrap, the Earth Flex poly film biodegrades quickly and safely in municipal composting sites — breaking down in about 180 days under the proper compostable conditions.

Earth Flex Poly — offered by Wisconsin-based Quad/Graphics — also differs from petroleum-based products in that it leaves no visible, distinguishable or toxic residue. It's best suited to polywrapping single books and is available in the same cut-off sizes as petroleum-based polywrap.

Plus, Earth Flex Poly qualifies as postal acceptable and automatable by the United States Postal Service.® However, ink-jetted labels or application of a pre-addressed label is required.



“Earth Flex is just one more part of our ongoing drive to reduce the environmental impact of print processes and products,” says Joel Quadracci, Quad/Graphics president and CEO. — Lori Bremerkamp

CLEANER WINDOWS | EARTHFIRST® FILM MAKES WINDOW ENVELOPES GREENER

Innovation

Windowed envelopes are nothing new to direct mail. But today's versions are both clear and “green.” That's because you now can send print pieces in envelopes with windows made from a wide variety of sustainable and annually renewable resources, such as plants.

Plastic Suppliers Inc. offers EarthFirst, which

is a strong, scratch-resistant film that looks no different from traditional petrochemical-based window envelope patches made from crude oil. Plus, it's approved by the U.S. Postal Service® MER-LIN tests, a bar code examination to make sure it's readable by the USPS® system's machines.

Using 100 pounds of EarthFirst film saves enough energy to run a 100-watt light bulb for eight months.

Source: earthfirstpla.com

EarthFirst film also is compostable (ASTM D6400), meaning it's accepted at industrial compost facilities and normally breaks down within weeks — making windowed envelopes as easy to recycle as full-paper alternatives. — Lori Bremerkamp

One Step Closer

Marketing has embraced the green idea, but there's more to be done.

The economic downturn has removed any doubt that green efforts are a significant part of today's marketing landscape. Clearly, when companies maintain or bump up their commitment to green initiatives at a time when every dollar counts — maybe more than ever — it's not a "nice-to-have," "looks-good-in-the-annual-report" business objective.

Our third green issue (yup, the one you're holding) finds that despite the economic fallout — which has marketers scrambling to cut expenses and keep every bit of revenue — most companies aren't wavering on their sustainability efforts.

They're sticking with them because it's now part of the ante — the base from which customers begin to judge you. In truth, with today's consumers so interested in controlling their carbon footprint, marketers can't afford not to hold on to their sustainability efforts.

That's good news — and bad news at the same time.

Why? Because for all the talk about greening up their campaigns, few marketers actually have pushed this initiative beyond the obvious. Yes, most are now tightening up their mailing lists, upping the percent of recycled paper in their mailings and relying on environmentally friendly inks. But look for those that have gone beyond these limited measures, and you won't find many. Too few are looking at their complete carbon footprint, taking measures that will have a significant impact on the earth's climate and relying on more than the basics.

The percentage of paper sent by mail that gets recycled is still woefully small. The number of companies looking to do business with local suppliers to save on trucking (and carbon) is still too few. We've conquered the basics, but haven't moved much on the complicated stuff.

So, what to do? It's evident that the initial criticism that businesses were doing this just to clean up their image was wrong. But it's just as clear that the industry



“The percentage of paper sent by mail that gets recycled is still woefully small. The number of companies looking to do business with local suppliers to save on trucking (and carbon) is still too few. We've conquered the basics, but haven't moved much on the complicated stuff.”

as a whole hasn't truly embraced this movement. Not yet, at least.

Our first green issue urged marketers to stay in front of the curve. They'd be smart to heed that advice again.

JUPITER IMAGES

Filling Up

The truth about direct mail and municipal waste.

Reporting by Paula Andruss

Americans generated roughly 254 million tons of municipal solid waste (MSW) in 2007, more than 169 million tons of which were discarded into the municipal waste stream to be disposed of for energy recovery efforts (such as recycling) or to become the contents of the nation's landfills. However, direct mail does not make up the bulk of MSW. Shown here are some of the items* that contribute in greater quantities to U.S. landfills according to the U.S. Environmental Protection Agency (EPA).



Source: 2007 MSW Characterization Report. *The items shown here do not represent all items in MSW, and therefore do not total 100 percent.

BOB LEA

10% of consumers calculate their carbon footprint.
6% purchase carbon offsets.¹

25

Percentage of consumers who tell other consumers not to buy products because of a company's poor environmental practices.¹



40

Percentage of consumers who would stop buying a product from a company accused of greenwashing.²

When asked which is the best product description to read on a label, Americans chose "natural" over "organic."²



green expectations

CONSUMERS ARE NOT ONLY MORE AWARE of green issues, they're finding practical ways to be eco-friendly while saving money in today's difficult economic times. And although personal responsibility is on the rise, corporate America isn't off the hook: Consumers want businesses to address environmental problems, but they don't always trust their motives, according to the Eco Pulse 2009 survey. So what's a marketer to do? Take green action, but don't greenwash. "There's more potential for backlash with a half-hearted green claim than there is for an increase in sales," says Suzanne Shelton, whose firm, the Shelton Group, conducted the national survey.



1 in 4

Consumers who say they have "no way of knowing" if a product is green or actually does what it claims, signaling a lack of confidence in green marketing and revealing a widespread "green trust gap."³

3,000,000,000

Pounds of carbon dioxide reduced if consumers replaced two trips to the mall each year with shopping by catalog.⁴



\$
Half

of U.S. consumers are "willing to pay more" for products with social and environmental benefits despite the tough economic times.³

1: Yankelovich MONITOR 2008 Perspective: Going Green 2. 2: Eco Pulse 2009. 3: BBMG Conscious Consumer Report: Redefining Value in a New Economy, 2009. 4: DMAchoice.org.



MICHAEL FANNING

Green Goals

Direct mail recycling numbers are up, but we must push for more awareness.

Being green is nothing new to the United States Postal Service.[®] Although it's not widely known, the Postal Service[™] is a pioneer on the environmental and sustainability front. We've built efficiencies into all aspects of what we do, working toward zero waste within our organization.

We also have been studying our environmental impact and working with public and private partnerships, mailers, regulators, mailing industry groups, and environmental organizations for more than two decades to "green" the mail. As a result, most of the paper produced in the United States for mailing comes from managed forests that are completely designed to provide future paper.

And while mail is responsible for only 13 percent of the total amount of paper and paperboard discarded in the municipal waste stream annually in the United States today,¹ we continue to work to reduce that percentage — and we're seeing results.

In 2000, about one-third of all standard mail was recycled. But by 2007, that number had climbed to more than 40 percent, according to the Environmental Protection Agency. It's a trend we expect to continue as the industry educates the public on the importance of recycling paper and as environmentally conscious consumers demand more earth-friendly options.



Ultimately, we'd like to see all mail recycled. And we believe that as marketers, it's our responsibility to give consumers the tools they need to do so. That's why we've placed recycling bins in more than 6,000 Post Office[™] lobbies nationwide for our customers to use after they've read and acted upon their mail. (See page 4 for more on this initiative.)

You can encourage your consumers to

recycle their mail, too. It can be as simple as including a line on your mailer that directs recipients to Earth911.com to find the Post Office nearest them where they can recycle magazines, catalogs and mixed paper.

If you're a Direct Marketing Association (DMA) member, display the organization's "Recycle Please" campaign logo on your direct pieces to encourage recycling after reading. This is particularly important for recipients who know they can recycle newspapers but don't know they can do the same with window envelopes, magazines and catalogs. The logo and other campaign materials are easily downloadable from the DMA's Web site (the-dma.org/environment).

And make sure to promote your own environmental efforts. Do you use recycled paper and less toxic ink? If so, indicate that on your mailers. It's another step toward helping to remove the notion that mail is bad for the environment.

The more you attempt to do this, the more you'll enhance your direct mail efforts. Consumers not only will think more positively of the medium, but also of marketers. And that increases the chance that they'll take positive action in response to your mail.

Michael Fanning is manager for environmental policy and programs at the United States Postal Service.[®]

1: "Environmental Impacts of the Mail," U.S. Postal Service, June 2008.

FRANCESCA KOE

Green State of the Union

What new presidential mandates will mean for the future of marketing.



In no uncertain terms, the Obama administration has signaled its intent to make the United States a 21st-century economic leader through the creation of a new “clean energy economy.” What will the administration’s mandates ultimately mean for marketers trying to create meaningful messages? Here’s some of what we know ... and some of what to look for.

Within months of assuming the White House, President Barack Obama won kudos from environmental groups for taking good first steps toward fulfilling his campaign promise of “promoting a healthy environment.” The president created forest and endangered species protections and new national auto fuel economy standards, while appointing scientists like Nobel Prize winner Steven Chu and Dr. Jane Lubchenco to head the Energy Department and the National Oceanic and Atmospheric Administration, respectively.

By far, the most ambitious and far-reaching of President Obama’s initiatives is the American Clean Energy and Security Act of 2009, which promises to spur an estimated \$150 billion in clean energy investments while creating 1.7 million jobs for Americans. The administration has stated that its initiatives are designed to reduce national carbon emissions by some 80 percent by 2050.

Judging from these mandates and cabinet appointments, the Obama administration is making a clear statement: Science and innovation will be the cornerstones for marketers in the new economy. Some companies will no longer be able to skate by simply on trendy “green” sloganeering.

Some established U.S. companies have already demonstrated the sort of leadership and creativity required for success in the new economy. Snack maker Frito-Lay made headlines in 2008 when it installed solar collectors at its Modesto, Calif., plant. The company made news again this year with its pioneering development of compostable bags for its multigrain SunChips® line of snacks.



“When today’s environmentally sensitive consumers have a good experience, they are going to blog about it, post on social networking sites and tell their friends, family and neighbors.”

As Frito-Lay’s example shows, innovation and straightforward information will drive marketing going forward. Because false claims are eventually uncovered and debunked in the Information Age, companies should cite case studies and examples. If you’re a long-established energy company, tell consumers exactly what percentage of the energy you create comes from what source (it could be as simple as a pie chart). If your marketing strategy relies on direct mail, switch to post-consumer waste paper, then inform consumers about the change in your mail pieces.

Marketing in the age of eco-consciousness is all about integrating pro-environment practices that are manifested in green messaging. When today’s environmentally sensitive consumers have a good experience, they are going to blog about it, post on social networking sites and tell their friends, family and neighbors. The rewards are customer retention, loyalty and invaluable word-of-mouth marketing you don’t have to pay for.

Francesca Koe is director of advertising and public opinion research for the Natural Resources Defense Council.

PORTRAIT BY GUEKIT; ILLUSTRATION BY EMILIANO PONZI

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GETTY IMAGES

RISE AND SHINE

More from our “Rising Above The Recession” hub on delivermagazine.com

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EXPERT OPINION Read insightful columns from marketing veterans on what steps you can take to ride out the recession and prepare your company for the inevitable rebound.

CASE STUDIES Get the details behind the integrated campaigns that CMOs and other marketers at top brands are creating to ensure that revenue stays strong even when the economy isn’t.

SURVIVAL GUIDANCE Download stories from the print version of *Deliver* magazine to learn more about what you, your company and your colleagues can do to thrive in these tough times.

Marketing Credentials

Glatfelter wanted its forestry certification message heard. A series of three direct mailings helped them do it.

By Denise Crittendon

Going green has never been more high profile. Good for the environment, but not so much for marketers: The more companies that tread in environmentally friendly waters, the harder it is for them to get their messages heard. Realizing this, Glatfelter—a Pennsylvania-based global supplier of specialty papers and engineered products—created a series of three mailers to announce its triple chain-of-custody forestry certification and to generate interest in its green efforts among North American customers and prospects.

They did it by using environmentally sound, non-controversial sources to produce 6,600 postcard-sized mailers detailing the step-by-step chain-of-custody process and its benefits. And with the pull of two tabs, the piece expanded to triple its size, revealing content that directed recipients to a dedicated landing page for more on Glatfelter's environmental initiatives.

Heath Frye, Glatfelter's North American marketing manager, says the mailer resulted in 1,000 visits to the landing page from June 2008 to December 2008. The campaign also attracted several major new accounts and the attention of *BtoB* magazine, which named Glatfelter to *BtoB*'s Best 2008 list in the "Direct Mail: Multi" category.

Frye believes other companies could learn from Glatfelter's success. "We were imaginative and had a strong message and a creative print package," he says. "Plus, you really can't go wrong with the U.S. Postal Service.® Last time I checked, there were no high-tech filters removing printed mail from my good old-fashioned mailbox. It's still one of the best ways to communicate an important message, in my opinion."

John Lindsey, creative director for Godfrey Advertising, the Lancaster, Pa., agency that created the campaign, says the mailers incorporated the essential element of surprise. "You have to offer the prospect something unique and unexpected to stand out, earn their attention and effectively produce action. One of our goals was to build a mailer that the prospect would want to keep around in their office and share with others—a truly sustainable mailer." Lindsey comments that an effective green marketing campaign should employ best environmental practices, utilizing environmentally responsible papers and print vendors.

Frye says that there are ways to be green beyond forestry certifications and printing with soy-based ink. Glatfelter's mills have been running on alternative energy for decades, using the cogeneration process to reduce fossil fuel dependency. "Some facilities use green energy, biomass, and solar and wind power," he adds. "We produce electricity using biomass. Everyone has their own way of identifying what they believe is green."



"Last time I checked, there were no high-tech filters removing printed mail from my good old-fashioned mailbox. It's still one of the best ways to communicate an important message, in my opinion."

— Heath Frye,
Glatfelter's North American
marketing manager



The Essentials

Agency: Godfrey Advertising (Lancaster, Pa.). **Client:** Glatfelter (York, Pa.). **Target Audience:** 6,600 North American customers and prospects. **Goal:** Announce Glatfelter's certifications from the Forestry Stewardship Council, the Sustainable Forestry Initiative and the Program for the Endorsement of Forest Certification. **DM Vehicle:** A series of three postcard-sized mailers that tripled in size with the pull of a tab. **Paper:** Sappi Magno Matt Classic 250gsm (die cut to size and hand assembled). **Response rate:** 1,000 visits to a dedicated landing page, several major new accounts.

RUNNING ON GREEN

DESPITE A DOWN ECONOMY, A HARD-HIT INDUSTRY REMAINS TRUE TO ENVIRONMENTAL IDEALS.

BY PAMELA OLDHAM

Automotive manufacturers have faced substantial pressure recently to “green up” their vehicle lines by adding more high-MPG, carbon-friendly vehicles. But, it turns out, they’re doing more than just adding eco-friendly products.

Auto dealerships are increasingly incorporating eco-friendly efforts in service bays and offices on a daily basis, recycling oil, for instance, and reducing their cardboard consumption and the use of hazardous chemicals.

No surprise, then, that these environmentally friendly efforts now extend to their marketing.

Many Toyota service departments are sending consumers eco-friendly messages as part of the “We Auto Go Green” program, which uses “green” direct mail to send service reminders and valuable specials to customers.

“Customers definitely are buzzing about the program,” says Jim Hawk, a service manager for program participant Classic Auto Group, which includes 26 franchises at 15 locations throughout northeast Ohio. Hawk estimates he sends about 7,500 mailers each month through the program, and has seen about a 33-percent response rate. “Customers are coming into the service department with the postcards in hand,” he says.

“Our research shows consumers are more likely to be loyal to dealerships that have a vested interest in their communities,” says Chuck Patton, chief executive officer and owner of Traffic Builders, the Louisville, Ky.-based direct marketing agency that developed the initiative. “Now dealers can demonstrate to customers that they’re making efforts to change the community’s future.”

Traffic Builders’ turnkey creative solution includes use of paper stock containing a minimum of 10 percent recycled fibers. To offset the

additional expense of this paper — typically 10 to 15 percent more — the company negotiates with paper mills and asks dealers to sign on for a year-long commitment and a minimum number of mailings.

“By using recycled fibers in 2009, we will have saved many of the trees that unrecycled material would have killed,” Patton says. “We are working to further our green efforts to include working with vendors who are credentialed with the Forest Stewardship Council (FSC).”

Obtaining the FSC credential ensures that the paper used comes from a forest certified against the FSC Forest Management standards to ensure responsible forestry practices.

Dealers involved with the We Auto Go Green program represent virtually every major auto manufacturer in the United States. About 130 dealers nationwide — ranging from single, small-town franchises to multi-franchise, multi-location enterprises — participate, with numbers continuing to grow despite the down market.

Patton attributes the program’s growth to companies sticking to their green marketing ideals during the economic recession. “Consumers have seen a lot of negative reports on the auto industry,” he adds. “This is a way for dealers to spread the word that they’re still here, viable and continuing to give back to their communities.”

As seen at Toyota, the greening of the auto industry is arising from deep personal commitment and values that remain unchanged in a tough market and an era in which budgets are being cut to the bone.

“Demonstrating respect for the environment is the right thing to do,” says Jerry Janes, regional service and parts marketing and retention manager for Toyota Corp. in Chicago. “We’re green corporate wide, and those values haven’t diminished despite a down economy.” [a](#)

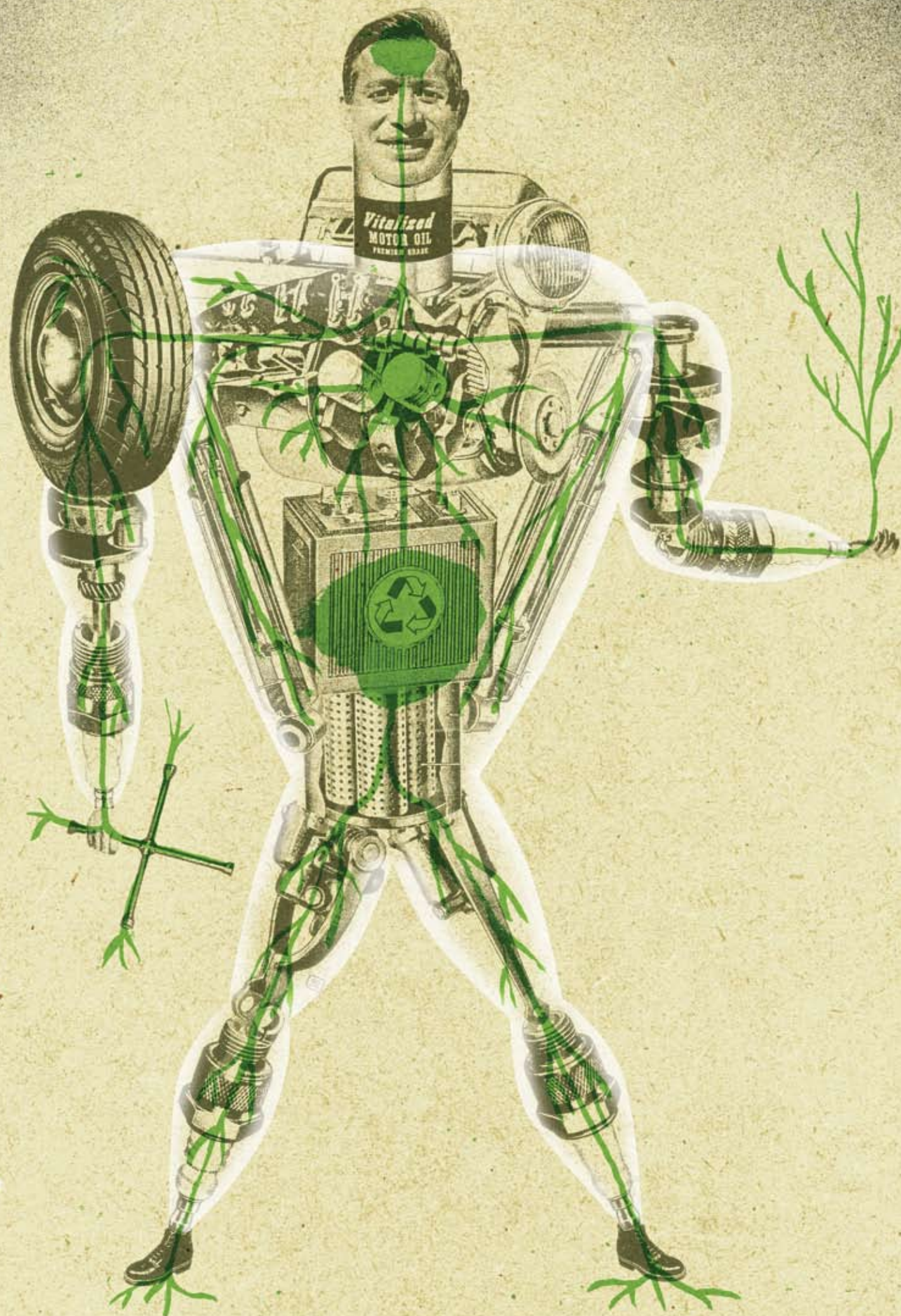
Driving Sustainability

More than 500 vehicle retailers are reducing their energy consumption — and saving money — through the National Automobile Dealers Association’s (NADA) partnership with the U.S. Environmental Protection Agency’s Energy Star program.

The initiative challenges NADA members to reduce their energy use by at least 10 percent. Some have saved up to \$30,000 in energy costs because of it.

Dealers also are promoting the NADA’s Green Campaign, which encourages service departments to perform free Green Checkups to assess the fuel economy of their customers’ vehicles.

“These efforts are helping auto dealers reduce their carbon footprint and energy use, and are reducing greenhouse emissions through proper vehicle maintenance,” says John McEleney, NADA chairman and a General Motors, Toyota and Hyundai dealer in Iowa.



DAVE PLUNKERT/SPUR DESIGN



RESTORING THE NATURAL HABITAT

O WHEN THE NATIONAL GEOGRAPHIC SOCIETY TURNED A SPOTLIGHT ON ITS OWN ENVIRONMENTAL PRACTICES, IT ILLUMINATED A FEW SURPRISES – AND PROMPTED SOME SWEEPING CHANGES.
BY ANNE STUART | PHOTOGRAPH BY JIM WRIGHT

QUICK LOOK

- While founded on green ideals, the National Geographic Society (NGS) must work hard to reduce its environmental impact.
- NGS recently made sweeping and substantial green changes at its headquarters and with its famous magazine.
- The organization is developing more efficient standards to green its mail, including altering design and smarter list management.

ne organization most people assume was already as green as possible is the National Geographic Society (NGS). After all, the Washington, D.C.-based Society — perhaps best known for the distinctive yellow-bordered *National Geographic* magazine that transports millions of readers to exotic or historic locations each month — is well into its second century of championing environmental awareness.

Its mission statement has been streamlined and updated over the years, but the current version reflects the same goal that prompted 33 explorers and scientists to found the Society in 1888: “To inspire people to care about the planet.”

Naturally, the Society tries to lead by example, trying to reduce its own carbon footprint and taking a sustainable approach to its operations, practices and purchases. The surprising part: Even a 121-year-old organization founded on green ideals has to work very hard to reduce its own impact on the environment.

TAKING ACTION

National Geographic regularly runs thoughtful and illuminating stories about climate change, energy consumption, pollution and deforestation, notes Hans Wegner, vice president of production services and director of in-house environmental initiatives. “But it’s not good enough just to talk about it,” he says. “We need to put talk into action.”

Wegner — an NGS employee since 1973 — emphasizes that the organization has met that goal in many ways over the years. “In paper purchasing, for example, we made sure that our suppliers used responsible forest-management practices long before there were any industry standards for that,” he says. “We also were probably the first to ask paper mills to eliminate elemental chlorine from their processes back in the mid-1980s.”

In 2003, the organization’s Washington, D.C., headquarters became the first existing building to receive Silver-level certification through the U.S. Green Building Council’s then-new Leadership in Energy and Environmental Design (LEED) certification program.



The walk became a full-scale gallop late in 2006 when, with the Society leadership's blessing, Wegner founded the GoGreen Committee, an all-volunteer employee group that has launched dozens of initiatives intended to make NGS greener both on its Washington, D.C., campus and at 22 other offices nationwide. For example, in response to GoGreen recommendations, the Society now supplies staffers with reusable mugs and water bottles to cut back on paper and plastic waste.

RESPONSIBLE SOURCING

One area ripe for improvement was the NGS headquarters cafeteria. Green-team members determined they could massively reduce that facility's trash generation — but doing so required some sweeping changes.

Plastic "clamshell" take-out containers have been replaced with reusable ceramic bowls or compostable fiber containers. Plastic drinking straws have been replaced with paper ones. Condiments, such as mayonnaise and mustard, now are dispensed from large pump containers rather than individual plastic packets. Kitchen waste and non-recyclable paper products — such as paper towels, napkins and the new drinking straws — are composted. By 2008, these efforts had reduced trash generation by about 60 percent.

Team members also recommended that cafeteria food choices come primarily from local, organic and sustainable sources. "We found that tuna, shrimp and salmon were not being harvested sustainably, so we eliminated them from the menu," Wegner says.

Getting buy-in is sometimes difficult, even in an organization like NGS. So, in addition to posting information about sustainability in the cafeteria and on the organization's GoGreen intranet, team members drew on one of the Society's own precious resources: its expert pool. "We asked one of our own emerging explorers, National Geographic fellow Enric Sala, to talk to the staff," Wegner says.

The speaker, who had extensively studied the issue, described the long-term damage caused by worldwide over-harvesting. "He got the message

Greener at Home

Following is a sampling of the National Geographic Society's in-house efforts to minimize its own environmental impact:

Purchases only renewable energy to meet electrical needs of its Washington, D.C., headquarters complex and all its North American offices.

Composts cafeteria food and paper waste rather than sending to landfills.

Recycles not only paper and plastic, but VHS tapes, packing materials, cell phones, computer equipment, fluorescent lamps, carpeting, furnishings, masonry, ceiling tiles, landscape waste and electronic waste, among other things.

Applied reflective window films to some buildings to minimize energy use.

Added low-flush toilets and motion-activated faucets in restrooms.

Installed "occupant sensing" lights that shut off automatically when rooms are empty.

Uses more eco-friendly maintenance and landscaping supplies, such as low-impact fertilizers and snow-removal products and energy-conserving tools and equipment.

Replaced all incandescent light bulbs with more energy-efficient products.

The Society estimates that such measures save 2.5 million kilowatt hours of electricity and 4.7 million gallons of water annually while keeping nearly 680,000 pounds of recyclable materials out of landfills.

Source: National Geographic Society

BUILDING PHOTO: ©2009 JOSEPH H. BAILEY/NATIONAL GEOGRAPHIC; MAGAZINE COVER: ©2009 NATIONAL GEOGRAPHIC

across that the only way you can curb the problem is not to consume the food," Wegner says. "That was very useful in allowing us to take this step."

LOOKING DOWN THE SUPPLY CHAIN

The Society also has taken a detailed look at the carbon footprint generated in the creation of its famous magazine. Working with an outside consultant, NGS methodically calculated the carbon value of every activity associated with creating an issue of *National Geographic*: staff travel, advertising sales, photography, computer use, office energy consumption, production, and distribution by rail and truck, among other things.

The findings? "Even including the travel that we consume, what we do internally produces only 4 percent of the total carbon associated with the magazine," Wegner says. "The other 96 percent comes from operations beyond our control: paper manufacturing, printing and binding.

"That finding solidified the organization's commitment to working with vendors to identify ways we can take carbon out of the processes," Wegner says. NGS also encourages its suppliers to consider environmental factors in contracting with their own vendors. For instance, the Society's primary paper supplier is asked to document that its wood pulp is harvested using environmentally sustainable practices.

The efforts to capture and measure the environmental impact and carbon emissions of the supply chain are critical to the Society's mission. "We're an organization with a foundation of credibility," Wegner says. "So we have to account for all our carbon in a way that's as credible and transparent as possible."

The Society encourages the public to do the same. One example is an online tool scheduled to debut later this year that lets people who buy NGS expedition tour packages calculate the carbon footprint of their own travel from their home cities to the tour's starting point.



National Geographic Society At-A-Glance

Founded: 1888. **Mission:** "To inspire people to care about the planet." **Based:** Washington, D.C., with more than 20 remote offices nationwide. **Number of research, conservation and exploration projects funded:** More than 9,000. **National Geographic magazine:** Published in 32 languages; circulation more than 8 million worldwide. **National Geographic Channel:** Produced in 34 languages; reaches 270 million households in 166 countries.

Web site (nationalgeographic.com): Receives 12 million visitors per month. **Other vehicles:** Six other magazines, TV and radio programs, films, books, maps, DVDs, exhibits, school programs and public expeditions/tours. **Number of people reached monthly through all NGS vehicles:** 325 million worldwide. Source: National Geographic Society


SMART MAILING

NGS also is taking a look at reducing the impact of the millions of catalogs, brochures, letters, reply envelopes, inserts and other materials it sends out annually. "Direct mail is a big part of our business," Wegner says. "We're working on greening our mail by developing more efficient standards."

For the actual pieces, that means building environmental considerations in from the design stage. "We tell people, 'If you're using a lot of white space, you may want to cut down the size of the pieces,'" Wegner says.

For the campaigns themselves, it means improving list hygiene to eliminate duplicate addresses and other errors that lead to wasted mailings. Beyond that, though, it means taking a more thoughtful approach to exactly who receives the correspondence. "The prevailing norm in the past was that you flooded the market with mail and you eventually got enough hits," Wegner says. "We need to be more focused. We have to do targeted appeals from better lists so that our mailings go to the purchasers who are most likely to buy our product."

Wegner questions the argument that it's greener to reach out online than via those mailings. "Paper is a renewable resource," he says. "What's more, it's becoming better known that electronic communication has a much bigger carbon footprint than most people think. Any time you send an e-mail or another online message, you're storing that information somewhere. For how long? At what cost? And is that smarter than doing it on paper? We need to determine the carbon emissions associated with electronic communications, come up with a way to quantify it, and then make decisions on which to use based on the facts."

The NGS's efforts already have significantly reduced its environmental impact (see "Greener at Home" sidebar). But Wegner calls the campaign a long-term effort that's barely begun. "It's simple: If you see something wrong, you have to try to change it," he says. "It's not good enough to say 'I need to be better at conserving energy' — you have to act. We, as a country, have to keep changing what we do." 

A Blueprint for Going Green

When the National Geographic Society set out to determine its environmental friendliness, it found several areas where it could improve. Chances are, your organization could do the same. But where to start?

The Direct Marketing Association offers a wealth of tools and information to help you do exactly that. At the core of the effort is the “Green 15,” a set of 15 key business practices that the association says can help you reduce your organization’s impact at every stage of the marketing process and, in many cases, cut costs as well. To start the process, the DMA offers the following worksheet to help you set your green goals and benchmark your progress.



SAMPLE GOALS TO BENCHMARK YOUR ENVIRONMENTAL PROGRESS

The sample goals and measurement techniques offer varying degrees of commitment and specificity. We encourage you to tailor these sample goals according to your business operations, and to work with your communications department and legal counsel, among other internal stakeholders, before implementing them.

Paper Procurement & Use

- Increase wood/paper purchases from recognized forest certification programs [by X percent by X year].
- Indicate use of suppliers affiliated with sustainable forestry practices that protect forest ecosystems and biodiversity as well as provide the wood and paper products our company needs.
- Indicate use of suppliers that strive to avoid sourcing paper from unsustainable or illegally managed forests (using certified chain-of-custody agreements).
- Increase purchase of environmentally preferable paper used for marketing pieces, product packaging and/or internal consumption [by X percent by X year].

List Hygiene & Data Management

- Reduce unwanted and duplicate mailings and provide greater choice regarding opt out and/or subject matter of mailings to customers [by X year].
- Calculate total number of suppressions processed (by medium or overall).
- Calculate total number of data updates or corrections (by medium or overall).

Mail Design & Production

- Reduce waste allowances and in-process waste when

designing and printing [by X percent by X year].

- Calculate total waste reduction occurred through a lowering of waste allowances.
- Reduce incidence of returned mail [by X percent by X year].
- Help the U.S. Postal Service® reduce the percentage of total mail volume that is attributable to Undeliverable as Addressed Mail [by piece or by weight].

Packaging

- Increase purchases of environmentally preferable packaging [by X percent by X year].
- Use recyclable packaging in [X percent/the majority of/all] shipments, imprinted with recycling information for customers [by X year].

Recycling & Pollution Reduction

- Increase purchases of office papers, packing and packaging materials made from recycled materials with post-consumer content wherever feasible [by X percent by X year].
- Use [X percent] post-consumer content recycled materials in all production [by X year].
- Collect and recycle [X percent] of all discarded office paper [by X year].
- Calculate your organization’s total carbon footprint [incorporating suppliers and customers as well as internal operations].
- Reduce unnecessary/excess paper use for external and internal communications [by X percent by X year].
- Encourage recycling in your community by including DMA’s “Recycle Please” message, or another recycling message [in X percent] of catalogs or direct mail pieces mailed to customers [by X year].

GETTY IMAGES

WE’LL HAVE YOU SEEING GREEN.



delivermagazine.com

As environmental concerns grow, more direct marketers are looking for eco-friendly solutions to their business challenges. The smart ones are turning to delivermagazine.com and its “Green Room,” a hub for the best information available on earth-friendly marketing. The Green Room features winning case studies, expert opinion, polls, data, multimedia and more. Watch instructive interviews with successful eco-marketers.

Read how major companies are blending principles of sustainability into their business objectives. Find tips on what you can do to cut costs and reduce your environmental footprint — while growing the power of your message. So visit delivermagazine.com today and check out what the Green Room has to offer. After all, green marketing isn’t just good for our planet. It’s good for your business, too.

PLANET PROTECTORS

DON'T LET TOUGH TIMES SCARE YOU INTO CUTTING BACK ON GREEN MARKETING — IT'S A HOOK TO GETTING THROUGH THEM. **BY NATALIE ENGLER**

A year ago, green was the new black. Eco-conscious marketing became nearly ubiquitous as a growing number of brands sought ways to promote earth-friendly products and initiatives.

Now these same companies face economic challenges. So are they still as committed to reducing their carbon footprints? Or is green something that they can only justify when the bottom line — and the chief financial officer — will allow?

Well, according to green business experts and practitioners, sustainability has lost none of its relevance, despite the economic downturn. Companies like IBM, Wal-Mart and Frito-Lay, a business unit of PepsiCo., are staying the course on green (downturn be damned!) with sweeping initiatives that they hope will earn them a reputation as environmental stewards of the new era, and perhaps even help them thrive through and beyond the recession.

"Green can make sense when times are tough, even because times are tough," asserts Joel Makower, executive editor of Greenbiz.com. It turns out that going green creates efficiencies that let corporations cut prices — very effective in a recession — as well as differentiate their brand and find new hooks for gaining customers.

QUICK LOOK

Despite the economy, there's good reason to keep your marketing focused on green:

- **Efficiencies:** Companies like Wal-Mart are finding going green can save money.
- **Loyalty:** Green efforts are helping SunChips retain customers.
- **Differentiating your brand:** IBM and others have found that being green is a way to make your brand stand out.



USING GREEN TO CAPTURE EFFICIENCIES

As green efforts become increasingly mainstream and economies of scale develop, cost savings are inevitable. And, especially in a down market, it's important for companies to pass those on — and play them up — to the consumer.

Value players, like Wal-Mart, are proving especially adept at this, not only by putting more affordable environmentally friendly products on the shelves and introducing private-label green products, but by holding suppliers accountable for their environmental practices. Christi Davis Gallagher, senior manager, PR and brand reputation at Wal-Mart, says despite the recession the retailer is definitely not cutting back on investing in its sustainability initiative. "In fact, we are accelerating and broadening," she says.

Wal-Mart's Earth Month marketing efforts included print ads for 10 green products for under \$10 and "rollbacks" on eco-friendly products. The upshot is that consumers no longer have to spend a premium to have a positive environmental effect.

"At a time when shoppers around the world are watching every penny, this is the time to save money and save the planet — two goals that work together," says Matt Kistler, Wal-Mart's senior vice president of sustainability, in a recent press release.

Even some business-to-business companies, like IBM, see the recession as an opportunity to help customers lower costs and increase their efficiency while reducing their carbon footprint. "The economic climate has heightened interest in green," says Rich Lechner, vice president of energy and the environment. "Our clients recognize the benefits of sustainability, which can be operational, economical and environmental. Being green can also open up new markets and opportunities for new products and services in a marketplace where sustainability is valued."

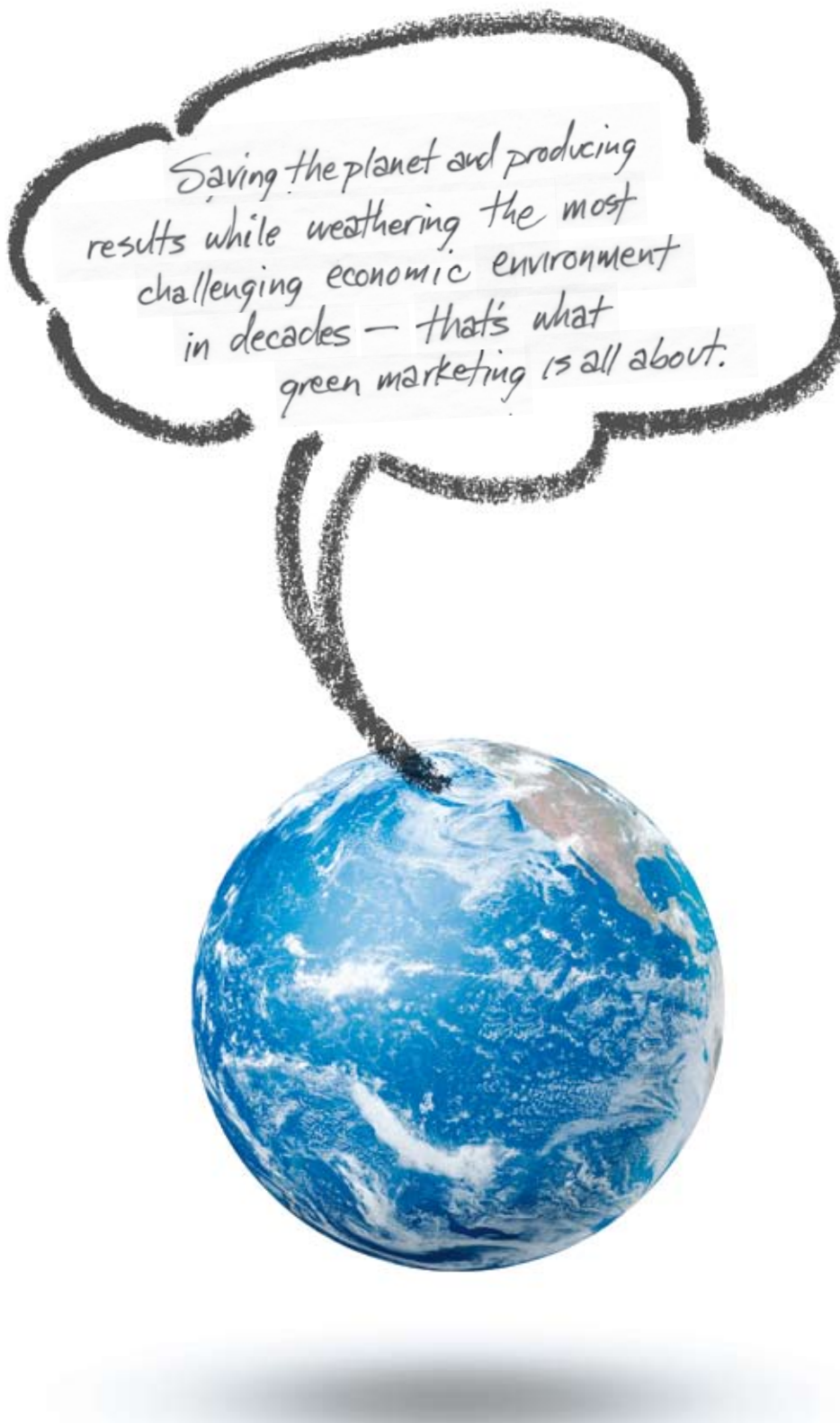
Green is an important dimension of IBM's Smarter Planet initiative, which launched in November. The thinking behind Smarter Planet is that individuals, businesses and institutions have a unique opportunity to change the way the world works. For the first time in history, technology is available to make almost any system digitally instrumented, interconnected and intelligent.

LINKING GREEN TO HEALTH PAYS OFF WITH CONSUMERS

As brands seek to increase loyalty in a tough market, some have found that you can win by showing your customers that green is good for them.

When market research in 2006 revealed that people who care about their personal health also care about the planet, SunChips, a Frito-Lay brand, engaged in a multimillion-dollar initiative to promote both health benefits to its consumers, says SunChips marketing director Thomas Oh.

Oh and his staff seek to marry the chips' health benefits — 18



grams of whole grain and zero trans fat — with the company's dedication to the health of the environment. Marketing campaigns play off the product's nature-related name and describe the company's sustainability investments, including a facility in Modesto, Calif., using solar energy in manufacturing, compostable packaging and a \$1 million donation to tornado-devastated Greensburg, Kan.

Gwynne Rogers of the Natural Marketing Institute says the strategy is a good one — and one that other brands can use to their advantage. "If consumers are feeling pinched, but still care

about the environment, there's sometimes a tension," she says. But while consumers might think twice about paying more for something that's recycled, they are less likely to sacrifice their personal well-being or that of their family. Green cleaning products, for example, are now being sold as safer for the home, the kids and the pet. "People are loath to sacrifice their health, even in times of recession," Rogers says.

DIFFERENTIATING THE BRAND

Of course, it helps to be a little creative around your green marketing efforts as a way of making your brand stand out.

IBM has extended the Smarter Planet initiative beyond the usual corporate customers by targeting individuals, students, activists, housewives, government employees and others with a series of short-essay newspaper advertisements (dubbed "op-ads") on weighty topics like how advances in technology can help manage the planet's water supply, reduce traffic congestion and build a smarter electrical grid.

The company also launched a series of jams — brainstorming sessions — that invite people from around the world to get together for collective problem solving. And, in partnership with two technology innovation advocacy organizations, IBM is sponsoring a "Congestion Challenge" to identify innovative ideas for combating transportation congestion. The competition is open to entrepreneurs, commuters and researchers in all fields. The winner, who will be announced in September 2009, will receive a cash investment of \$50,000, along with development and implementation support for the idea.

The SunChips team also has been very creative when it comes to having marketing

efforts emphasize the green theme while improving sales in the process. The company promoted its compostable bags with an online video and TV spot showing them decompose, coupled with print ads that had a tear-off sample of the packaging for people to put in their own compost bins to test the claims.

To drive home the snack's relationship to the sun, marketers developed a solar-powered billboard with cutouts of letters that spell SunChips suspended above the billboard. When the sun's rays hit the letters, a shadow of the brand name is cast upon the face of the billboard.

The SunChips brand also teamed up with National Geographic to sponsor a contest that invited people to share their "Green Idea" — an environmentally friendly project that would help their local environment and community. Five winners each received a \$20,000 cash prize to be used toward executing their green ideas. (See our profile of the National Geographic Society on page 16.)

To promote the contest, called Green Effect, the companies set

up a dedicated Web site at which entrants could submit 250-word essays describing their ideas. To generate traffic, the company mailed promotional flyers to earth-friendly organizations based in cities on the National Geographic "25 Greenest Cities" list. People in those organizations posted the flyers and distributed them to individuals in the community — in essence, doing the company's direct marketing for it. The competition generated more than 2,500 ideas.

All of that creative marketing has not only increased environmental awareness and fostered specific action, but it also has helped SunChips become one of the fastest-growing snack brands at Frito-Lay.

Saving the planet and producing results while weathering the most challenging economic environment in decades — that's what green marketing is all about. **d**



SMARTER MAILINGS: IBM utilizes direct mail for its Smarter Planet initiative, which encourages individuals, businesses and institutions to change the way they work.

Consumers Stay the Green Course

No matter what you do with your company, it's clear that green issues are of increasing importance to consumers. **Nearly seven in 10 Americans (67 percent) agree that "even in tough economic times, it is important to purchase products with social and environmental benefits," and half (51 percent) say they are "willing to pay more" for them,** according to the 2009 BBMG Conscious Consumer Report. That's a compelling reason not to cut back on your green efforts, and an indication as to why companies that don't might have a tougher time pulling themselves out of the recession.

1

ANDREW WINSTON
Environmental strategist
and author

WISE GUYS

THREE THOUGHT LEADERS SHARE
THEIR EXPERIENCES AND DISCUSS THE
ROAD AHEAD FOR GREEN BUSINESS.

BY VICKI POWERS
ILLUSTRATIONS BY JOHN RITTER

2

JEFF RENAUD
Director of marketing, GE

3

PAUL COMEY
Vice president, environmental affairs,
Green Mountain Coffee Roasters



IF there's one thing that we at *Deliver*® discovered in putting together this issue, it's that we seem to have reached a tipping point when it comes to sustainable business practices. Clearly, green is here to stay. But, in the process of developing a more eco-friendly approach to business and marketing, what have we learned along the way? How far have we come from the roots of the eco movement? And where is it likely to head?

To explore those questions, we recently spoke with three green-business thought leaders: Jeff Renaud, director of marketing for GE's ecomagination business; Paul Comey, vice president of environmental affairs for Green Mountain Coffee Roasters; and Andrew Winston, author of *Green Recovery* and co-author of *Green to Gold*.

DELIVER: Why has green business become mainstream?

WINSTON: Green has become a central part of the business discussion for a lot of reasons. Companies are feeling pressure from a whole range of stakeholders, including customers, employees and vendors. Then there are tangible mega environmental pressures — such as climate change and water shortages — that are evolving no matter what the economic situation is. Combine all these forces, and there really is no choice anymore. But there are great proactive reasons to look at the business through a green lens. It saves money, reduces risk, drives innovation and new product development and builds brand value and loyalty. Finally, it's a great way to survive this recession.

COMEY: We've reached the point where you can't continue to consume your environment and think that it's going to be OK. Through the '90s, people became aware that we were consuming resources at a horrendous rate. Even so, we don't currently pursue new green business ideas as environmental projects so much as good operational practices. If we want to

change the way we handle waste at our company, for example, I'll pitch it as an idea that will reduce waste cost, reduce hauling cost — and, oh, by the way, it helps our environment. Looking at it from two different lenses gives you a much better perspective.

DELIVER: How have the eco-business efforts at your company changed over time?

RENAUD: I think the general environment has certainly changed over the last four years since we launched ecomagination in 2005. The debate centered more around whether we — the broader business community, not just GE — should really be focused on the "green space." And, if so, could we deliver returns to our shareholders in the process? The consensus seems to be a resounding "yes." If you look at our ecomagination product portfolio, we launched with 17 products, and today we have more than 80 products. Customer demand drives our growth in the ecomagination product line.

COMEY: Early on, most of our green efforts were employee driven by a champion in the organization who had a passion. In the early '90s, for example, a couple of engineering folks wanted to save money by developing a filtra-

tion system to replace the purchasing of liquid in small bulk tanks. We still have those champions sprinkled throughout the organization as our company has grown larger, but we also take a more systematic approach to it. This can involve processes like replacing lamp fixtures with more energy-efficient versions anytime we do renovations in acquired buildings. Our Knoxville, Tenn., location is getting ready to proceed with this. We have applied for Leadership in Energy and Environmental Design (LEED) certification for one of our recently remodeled buildings, and we're currently looking for similar opportunities as we expand.

DELIVER: Is the economy changing the way companies approach green business efforts?

WINSTON: Leading companies in green business are not slowing down. They're still pursuing and, in some cases, accelerating their green efforts. Companies that consider putting their green efforts aside to wait out the economic downturn are making a big mistake. The smartest companies are recommitting to sustainability and using environmental thinking not only to stay profitable but also to drive innovation and help their customers. Green thinking can help companies get out of these challenges. Sustainability is at the very core of

survival. Green is about doing more with less, which can save you money quickly.

RENAUD: We are responding to the economy by continuing to invest in ecomagination. We believe you need to innovate even in a downturn to come out stronger. Our researchers are focusing on new technologies, such as new ways to maximize wind capture. Even in our current economic environment, the GE ecomagination initiative achieved \$17 billion in 2008 revenues, which is a 21-percent year-over-year increase from 2007.

COMEY: The downturn in the economy makes us look harder at what we do and justify our costs. There are green initiatives we do that cost money, such as removing the petroleum from our paper-cup liner and substituting it with polylactic acid. Our costs went up, but it wasn't a cost we felt we should pass along to the consumer. We felt it was the right thing to do in an effort to get the industry to start looking at biopolymers and renewable resources as the correct way to go.

We also just installed a 100,000-watt solar array on top of our distribution building. We were able to put together a package — even in a down economy — that allowed us to spend \$750,000 on a solar array and have it make good financial sense for the company. Typically solar has a 15-year payback, but, by looking for tax incentives and energy grants from the state and accelerated depreciation from the federal government, we were able to make it work.

As a company with a very successful consumer direct channel, it was important for us to look for ways to reduce the environmental effect of our catalogs, so we sought ways to offset their impact. As a first step, we just converted our catalog to paper from sustainable forests, which is a big move for us. And our printer is using ink from 27-percent renewable resources.

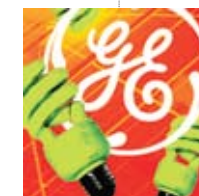
DELIVER: Where do you see things headed in the future with eco business?

COMEY: I'd like to see renewable resources in packaging make greater gains. To keep coffee fresh, you need to keep out oxygen, moisture and sunlight. Once you've made a package that keeps out those properties, you've basically designed a package that isn't going to break down, isn't recyclable and isn't made from renewable resources. It's a petroleum, metallic package. We're all looking for packaging innovations that can protect our products from the elements and be environmentally friendly. That's what I'm hoping to see in the future.

WINSTON: Green business is becoming the norm. In the future, we may not talk about green business per se, just business in general. Companies will need to operate in a way that recognizes environmental pressures and strives to reduce them. Those that make these changes will survive and thrive. Those that don't will find their cost structures are too expensive to operate and will have trouble competing for talent.

RENAUD: In the near term, we're focused on continuing to execute the commitments we made in 2005, which are achieving certain revenue targets, R&D targets and performance targets. We've got a substantial ability to deliver environmental changes today, but there's still a lot of opportunity out there. We recently announced that we'd be launching a venture to manufacture advanced batteries for the transportation market. GE certified its first few products that are focused on recycling heat from different processes and using it to generate steam or additional power. These are big markets and large opportunities that we're focused on. **d**

Environmental Efforts



GE created its ecomagination initiative in 2005 to help solve the world's biggest environmental challenges through new products targeting industries such as commercial, electric utilities, government, residential and transport, to name a few. Through ecomagination, GE has developed more than 80 products ranging from solar, hybrid locomotives and compact fluorescent lighting to wind turbines, Energy Star appliances and aircraft engines. Jeff Renaud, director of marketing, spearheads efforts in ecomagination and is the lead for developing new products for the green building market.



Green Mountain Coffee Roasters was pushing organic and fair-trade coffee long before these coffee options were fashionable. Based in Waterbury, Vt., the company sells wholesale coffee as well as the single-cup brewing system by Keurig, which Green Mountain Coffee Roasters acquired in 2006. Long recognized as a leader in socially and environmentally sustainable business practices, Green Mountain Coffee Roasters continues to push the boundaries regarding green business initiatives while achieving double-digit revenue growth. Paul Comey, vice president, environmental affairs, guides the company's green business efforts.



Environmental strategist Andrew Winston co-authored *Green to Gold*, a 2006 best-selling guide of what works and what doesn't when companies go green. His latest book, *Green Recovery: Get Lean, Get Smart and Emerge from the Downturn on Top*, makes the case that companies that do not put their green efforts on hold during challenging economic times will survive and thrive.

► Visit delivermagazine.com to hear audio interviews with Winston, Comey and Renaud.

More than Looks

The folks at Aveda want to keep the planet beautiful. The key?

A smart combination of direct and e-mail. **Interview by Lara Jensen | Photograph by Roy Ritchie**

Talk to anyone who uses Aveda products and you'll likely discover more than just a casual consumer: Aveda fans border on the fanatical. Perhaps they'll wax poetic about the sleek, appealing design of the packaging or the distinctive fragrances. They'll probably also tell you that the products just work so gosh-darned well.

But the thing that really sets Aveda apart in the marketplace is the company's long-standing commitment to eco-friendly products and practices. The company started as a manufacturer of plant-based hair care products for stylists, but, over the past three decades, the business has blossomed to include a wide range of naturally derived personal-care products, 125 Aveda retail outlets and a growing reputation as a leader in responsible corporate environmental practices.

Aveda points to direct marketing as an essential part of its go-to-market strategy. In 2001, the company began building its first database of customer names and addresses to use for direct mail outreach and, in 2006, it launched Pure Privilege, a customer loyalty program. Here, Rachael Ostrom, director of consumer marketing and advertising for Aveda, discusses the importance of direct for communicating the brand's eco-friendly message.

DELIVER: Why is direct mail a good channel for communicating Aveda's message?

OSTROM: Mail helps us clearly convey the message of sustainability. Our annual holiday mailing, which is typically our most successful all year, is a good example. The most recent piece is designed around several beautiful images of Nepal, while the surrounding copy tells the story of how all the paper used in our holiday gift sets is sustainably sourced from a cooperative in Nepal. We also let recipients know that by purchasing our holiday gift sets, it helps us employ Nepali women and men, preserve 90,000 acres of Himalayan forest, and send the children of 500 Nepali families to school. Sharing that message in detail with customers in their homes is a great way to encourage them to do their holiday shopping with Aveda.

DELIVER: Are you sending the same volume of mail as in the past?

OSTROM: We consistently do four major mailings a year: the one around the holidays and three around new product launches, which offer customers free samples when they come into a store.

However, we continue to be more targeted with whom we send these pieces. As a result, we're not sending out as many pieces per campaign. But, because we're focusing on the customers who are more likely to respond, sales results from the campaigns are at the same level they've always been.

DELIVER: How else are you improving the efficiency of your program?

OSTROM: With budgets the way they are these days, we're continually looking at ways to be more efficient. We're performing data-cleansing processes — including change-of-address updates — quarterly and before new mailings drop. Working with our database company, we also have recently updated our mail model to identify customers with the greatest potential of a repeat purchase. Through this model, we can more accurately predict who is most likely to respond to a mailing.

DELIVER: Do you ever get any pushback from consumers about your use of direct mail?

OSTROM: Not really, for a couple of reasons. First, every piece of direct mail we send out lets

recipients know that it has been printed using soy ink and on 100-percent post-consumer recycled paper. We also allow customers who would prefer to receive offers and information by e-mail to opt in to our electronic program. When customers sign up for our Pure Privilege loyalty program, they receive a direct mailer with an incentive — 100 bonus points — to provide us with their e-mail address.

We'll continue to balance both direct and e-mail, watching closely who is responding to which to make sure we're using the right medium for the right people.

DELIVER: How are you complementing direct mail with e-mail?

OSTROM: In January, we started a series of promotions for our Pure Privilege members. To optimize the effort's spend, we're executing it through a combination of e-mail and direct mail. We're sending a postcard to a portion of the audience and e-mails to the other portion, tracking the redemption for each method. The messaging for some of the direct mail recipients lets them know that there will be an upcoming e-mail-only promotion, and that if they gave us their e-mail address, they will receive 100 bonus points.

This strategy has been very successful so far. We'll continue to balance both direct and e-mail, watching closely who is responding to which to make sure we're using the right medium for the right people. [Q](#)

BEAUTY MAKEOVER: Aveda's Rachael Ostrom says adding a customer database and loyalty program has helped the brand better communicate its eco-friendly message.